

No.14028/3/2011-Estt(L)
Government of India
Ministry of Personnel, P.G. and Pensions
(Department of Personnel & Training)

New Delhi, the 24th May, 2011.

Office Memorandum

Subject : Encashment of Leave to be granted to Government Servants on their appointment in Central Public Enterprises

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The undersigned is directed to state that this Department has been receiving references from various Ministries/Departments seeking clarification regarding the entitlement to leave encashment on appointment of Government Servants in Central Public Enterprises.

2. As per DoPT OM No. 28016/5/85-Estt.(C) dated 31/1/1986, appointment of an officer in a Central Public Enterprise after acceptance of his technical resignation from Government is treated as immediate absorption. As per the terms and conditions contained in this OM, a Central Government Servant taking appointment in the Central Public Enterprises on Immediate Absorption basis was entitled to encashment of Earned Leave to his credit at the time of acceptance of his resignation from Government Service, subject to a limit of 180 days. Half Pay Leave stood forfeited. (The limit of Earned Leave which could be thus encashed was later raised to 300 days).

3. It is clarified that as per rule 39-D of the CCS (Leave) Rules, 1972, the calculation of leave encashment in case of permanent absorption in Public Sector Undertaking/Autonomous Body wholly or substantially owned or controlled by the Central/State Government will be as per


rule 39(2)(b) which has been amended vide Notification GSR 170 dated 1/12/2009 to read as under:-

The cash equivalent of leave salary under Clause (a) shall be calculated as follows and shall be payable in one lumpsum as a one-time settlement –

(i) Cash equivalent for earned leave	=	Pay admissible on the date of retirement <i>plus</i> Dearness Allowance admissible on that date	X	Number of days of unutilized earned leave at credit subject to the total of earned leave and Half Pay Leave at credit not exceeding 300 days.
		30		
(ii) Cash payment in lieu of Half Pay Leave component	=	Half Pay Leave salary admissible on the date of retirement <i>plus</i> Dearness Allowance admissible on that date	X	Number of days of Half Pay Leave at credit subject to the total of Earned Leave and Half Pay Leave at credit not exceeding 300 days.
		30		

No commutation of Half Pay Leave shall be permissible to make up the shortfall in Earned Leave.

4. All Ministries/Departments may note for further action accordingly.
5. Hindi version will follow.


(Zoya C.B.)

Under Secretary to the Government of India

To
All Ministries/Departments of the Govt. of India (As per list)

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Copy also forwarded to:

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3. Office of the Controller General of Accounts. Ministry of Finance.
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6. Governors of all States/Lt Governors of all Union Territories.
7. Secretary. National Council of JCM (Staff Side), 13-C, Feroz Shah Road, New Delhi
8. All Members of Staff Side of the National Council of JCM/Departmental Council.
9. All Officers/Sections of DOPT/Deptt. of Administrative Reforms & Public Grievances/Department of Pensions & Pensioners Welfare/PESB.
10. Ministry of Finance, Department of Expenditure
11. Railway Board, New Delhi.
12. NIC, DOPT./Director E-I
13. 50 spare copies.



(Zoya C.B.)

Under Secretary to the Government of India